



2009 ASSEMBLY BILL 756

1 **AN ACT** *to repeal* 71.07 (3n) (a) 6. c., 71.28 (3n) (a) 6. c. and 71.47 (3n) (a) 6. c.;
2 and *to amend* 71.07 (3n) (a) 2. (intro.), 71.07 (3n) (a) 6. b., 71.07 (3n) (b) 1., 71.07
3 (3n) (d), 71.07 (3n) (e) 1., 71.07 (3n) (e) 2., 71.28 (3n) (a) 2. (intro.), 71.28 (3n) (a)
4 6. b., 71.28 (3n) (b) 1., 71.28 (3n) (d), 71.28 (3n) (e) 1., 71.28 (3n) (e) 2., 71.47 (3n)
5 (a) 2. (intro.), 71.47 (3n) (a) 6. b., 71.47 (3n) (b) 1., 71.47 (3n) (d), 71.47 (3n) (e)
6 1. and 71.47 (3n) (e) 2. of the statutes; **relating to:** the dairy and livestock
7 investment tax credits.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

8 **SECTION 1.** 71.07 (3n) (a) 2. (intro.) of the statutes is amended to read:
9 71.07 **(3n)** (a) 2. (intro.) “Dairy farm modernization or expansion” means the
10 construction, the improvement, or the acquisition of buildings or facilities, or the

ASSEMBLY BILL 756**SECTION 1**

1 acquisition of equipment, for dairy animal housing, confinement, animal feeding,
2 milk production, or waste management, including the following, if used exclusively
3 related to dairy animals and if acquired and placed in service in this state during
4 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

5 **SECTION 2.** 71.07 (3n) (a) 6. b. of the statutes is amended to read:

6 71.07 **(3n)** (a) 6. b. For taxable years that begin after December 31, 2005, and
7 before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals,
8 or both, means used to the exclusion of all other uses except for use not exceeding 5
9 percent of total use.

10 **SECTION 3.** 71.07 (3n) (a) 6. c. of the statutes is repealed.

11 **SECTION 4.** 71.07 (3n) (b) 1. of the statutes is amended to read:

12 71.07 **(3n)** (b) 1. Subject to the limitations provided in this subsection, for
13 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
14 a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08
15 an amount equal to 10% of the amount the claimant paid in the taxable year for dairy
16 farm modernization or expansion related to the operation of the claimant’s dairy
17 farm.

18 **SECTION 5.** 71.07 (3n) (d) of the statutes is amended to read:

19 71.07 **(3n)** (d) The aggregate amount of credits that a claimant may claim
20 under this subsection is \$50,000 \$75,000, except that no more than \$50,000 of this
21 amount may be based on costs incurred prior to the effective date of this paragraph
22 [LRB inserts date].

23 **SECTION 6.** 71.07 (3n) (e) 1. of the statutes is amended to read:

24 71.07 **(3n)** (e) 1. Partnerships, limited liability companies, and tax-option
25 corporations may not claim the credit under this subsection, but the eligibility for,

ASSEMBLY BILL 756

1 and the amount of, the credit are based on their payment of expenses under par. (b),
2 except that the aggregate amount of credits that the entity may compute shall not
3 exceed \$50,000 the limitation under par. (d). A partnership, limited liability
4 company, or tax-option corporation shall compute the amount of credit that each of
5 its partners, members, or shareholders may claim and shall provide that information
6 to each of them. Partners, members of limited liability companies, and shareholders
7 of tax-option corporations may claim the credit in proportion to their ownership
8 interest.

9 **SECTION 7.** 71.07 (3n) (e) 2. of the statutes is amended to read:

10 71.07 **(3n)** (e) 2. If 2 or more persons own and operate the dairy or livestock
11 farm, each person may claim a credit under par. (b) in proportion to his or her
12 ownership interest, except that the aggregate amount of the credits claimed by all
13 persons who own and operate the farm shall not exceed \$50,000 the limitation under
14 par. (d).

15 **SECTION 8.** 71.28 (3n) (a) 2. (intro.) of the statutes is amended to read:

16 71.28 **(3n)** (a) 2. (intro.) “Dairy farm modernization or expansion” means the
17 construction, the improvement, or the acquisition of buildings or facilities, or
18 acquiring equipment, for dairy animal housing, confinement, animal feeding, milk
19 production, or waste management, including the following, if used exclusively
20 related to dairy animals and if acquired and placed in service in this state during
21 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

22 **SECTION 9.** 71.28 (3n) (a) 6. b. of the statutes is amended to read:

23 71.28 **(3n)** (a) 6. b. For taxable years that begin after December 31, 2005, and
24 before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals,

ASSEMBLY BILL 756**SECTION 9**

1 or both, means used to the exclusion of all other uses except for use not exceeding 5
2 percent of total use.

3 **SECTION 10.** 71.28 (3n) (a) 6. c. of the statutes is repealed.

4 **SECTION 11.** 71.28 (3n) (b) 1. of the statutes is amended to read:

5 71.28 **(3n)** (b) 1. Subject to the limitations provided in this subsection, for
6 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
7 a claimant may claim as a credit against the tax imposed under s. 71.23 an amount
8 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
9 modernization or expansion related to the operation of the claimant's dairy farm.

10 **SECTION 12.** 71.28 (3n) (d) of the statutes is amended to read:

11 71.28 **(3n)** (d) The aggregate amount of credits that a claimant may claim
12 under this subsection is ~~\$50,000~~ \$75,000, except that no more than \$50,000 of this
13 amount may be based on costs incurred prior to the effective date of this paragraph
14 [LRB inserts date].

15 **SECTION 13.** 71.28 (3n) (e) 1. of the statutes is amended to read:

16 71.28 **(3n)** (e) 1. Partnerships, limited liability companies, and tax-option
17 corporations may not claim the credit under this subsection, but the eligibility for,
18 and the amount of, the credit are based on their payment of expenses under par. (b),
19 except that the aggregate amount of credits that the entity may compute shall not
20 exceed ~~\$50,000~~ the limitation under par. (d). A partnership, limited liability
21 company, or tax-option corporation shall compute the amount of credit that each of
22 its partners, members, or shareholders may claim and shall provide that information
23 to each of them. Partners, members of limited liability companies, and shareholders
24 of tax-option corporations may claim the credit in proportion to their ownership
25 interest.

ASSEMBLY BILL 756**SECTION 14**

1 **SECTION 14.** 71.28 (3n) (e) 2. of the statutes is amended to read:

2 71.28 **(3n)** (e) 2. If 2 or more persons own and operate the dairy or livestock
3 farm, each person may claim a credit under par. (b) in proportion to his or her
4 ownership interest, except that the aggregate amount of the credits claimed by all
5 persons who own and operate the farm shall not exceed \$50,000 the limitation under
6 par. (d).

7 **SECTION 15.** 71.47 (3n) (a) 2. (intro.) of the statutes is amended to read:

8 71.47 **(3n)** (a) 2. (intro.) “Dairy farm modernization or expansion” means the
9 construction, the improvement, or the acquisition of buildings or facilities, or the
10 acquisition of equipment, for dairy animal housing, confinement, animal feeding,
11 milk production, or waste management, including the following, if used exclusively
12 related to dairy animals and if acquired and placed in service in this state during
13 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012:

14 **SECTION 16.** 71.47 (3n) (a) 6. b. of the statutes is amended to read:

15 71.47 **(3n)** (a) 6. b. For taxable years that begin after December 31, 2005, and
16 before January 1, ~~2010~~ 2012, “used exclusively,” related to livestock, dairy animals,
17 or both, means used to the exclusion of all other uses except for use not exceeding 5
18 percent of total use.

19 **SECTION 17.** 71.47 (3n) (a) 6. c. of the statutes is repealed.

20 **SECTION 18.** 71.47 (3n) (b) 1. of the statutes is amended to read:

21 71.47 **(3n)** (b) 1. Subject to the limitations provided in this subsection, for
22 taxable years that begin after December 31, 2003, and before January 1, ~~2010~~ 2012,
23 a claimant may claim as a credit against the tax imposed under s. 71.43 an amount
24 equal to 10% of the amount the claimant paid in the taxable year for dairy farm
25 modernization or expansion related to the operation of the claimant’s dairy farm.

ASSEMBLY BILL 756**SECTION 19**

SECTION 19. 71.47 (3n) (d) of the statutes is amended to read:

71.47 **(3n)** (d) The aggregate amount of credits that a claimant may claim under this subsection is ~~\$50,000~~ \$75,000, except that no more than \$50,000 of this amount may be based on costs incurred prior to the effective date of this paragraph [LRB inserts date].

SECTION 20. 71.47 (3n) (e) 1. of the statutes is amended to read:

71.47 **(3n)** (e) 1. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their payment of expenses under par. (b), except that the aggregate amount of credits that the entity may compute shall not exceed ~~\$50,000~~ the limitation under par. (d). A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest.

SECTION 21. 71.47 (3n) (e) 2. of the statutes is amended to read:

71.47 **(3n)** (e) 2. If 2 or more persons own and operate the dairy or livestock farm, each person may claim a credit under par. (b) in proportion to his or her ownership interest, except that the aggregate amount of the credits claimed by all persons who own and operate the farm shall not exceed ~~\$50,000~~ the limitation under par. (d).

SECTION 21m. Nonstatutory provisions.

1 (1) REQUIRED GENERAL FUND BALANCE. Section 20.003 (4) of the statutes does not
2 apply to the action of the legislature in enacting this act.

3 (END)